

Mississippi Public Service Commission

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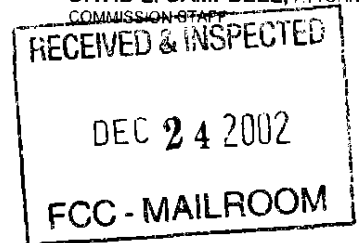
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OSCAR L. MORGAN, MAJOR
OFFICE OF MOTOR CARRIERS

DAVID L. CAMPBELL, ATTORNEY
COMMISSION STAFF

December 19, 2002

Mariene H. Dortch
Office of the Secretary
Federal Communications Commission
445-12th Street, SW
Washington, D.C. 20554



Re: CC Docket No. 96-45; January 1st Certification Deadline for Non-Rural Carriers

Dear Ms. Dortch:

Pursuant to 47 C.F.R. § 54.313, The Mississippi Public Service Commission ("MPSC") files its required certification for the year 2003 for **Dixie-Net Communications, Inc.**

In accordance with the Federal Communications Commission's (FCC) requirements in *Federal/State Joint Board on Universal Service, Ninth Report and Order, Eighteenth Order on Reconsideration, CC Docket No. 96-45; FCC 99-306*, the MPSC certifies that Dixie-Net's proposed use of federal universal service high-cost support for the year 2003 will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Telecommunications Act of 1996.

Attached is a copy of the Commission's orders in its Docket No. 01-UA-198.

Enclosed is a stamped addressed envelope and an additional copy of this letter for you to use in forwarding a stamped filed copy of this correspondence. Thank you for your assistance in this matter.

In accordance with the FCC's mandate, this certification letter is also being sent to Irene Flannery, Universal Service Administrative Company.

Sincerely,

Michael Callahan, Chairman

Bo Robinson, Vice-Chairman

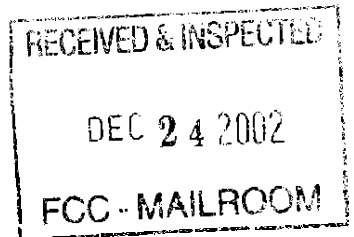
Nielsen Cochran, Commissioner

Enclosure

CC: Irene Flannery
Bobby Waites
Brian Ray

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**BEFORE THE
MISSISSIPPI PUBLIC SERVICE COMMISSION**



01-UA-198

**DIXIE-NET
COMMUNICATIONS, INC.**

TC 123163400

TC123163401

**IN RE: PETITION OF DIXIE-NET
COMMUNICATIONS, INC. FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER
UNDER THE TELECOMMUNICATIONS
ACT OF 1996**

ORDER

HAVING COME ON BEFORE the Mississippi Public Service Commission ("Commission") for the consideration of Dixie-Net Communications, Inc.'s ("Dixie-Net") Revised Plan for Utilization of Federal Universal Service Funding for the year 2003 ("Revised Plan") heretofore submitted to this Commission by Dixie-Net, and after reviewing the Revised Plan and being otherwise sufficiently advised, this Commission finds as follows:

I.

On December 20, 2000, Dixie-Net filed its Petition for Designation as an Eligible Telecommunications Carrier ("ETC") under the Telecommunications Act of 1996. The Commission entered an Order designating Dixie-Net an ETC on October 19, 2001.

II.

On October 28, 2002, Dixie-Net submitted its initial plan for utilization of the Federal Universal Service Fund for the year 2003. Thereafter on December 19, 2002, Dixie-Net submitted its Revised Plan for Utilization of Federal Universal Service Funding for the year 2003 for approval by this Commission. The Revised Plan is attached hereto as Exhibit "A." This

Commission finds that Dixie-Net's Revised Plan for use of federal universal service funds for the year 2003 in Mississippi is consistent with the principles of Universal Service as outlined in the Telecommunications Act of 1996 and by the FCC in its Universal Service Order.'

III.

The Commission, after consultation with the Public Utilities Staff, concludes that Dixie-Net's Revised Plan for utilization of the Federal Universal Service Fund for the year 2003 is consistent with the Telecommunications Act of 1996 and the pertinent FCC orders.

IT IS, THEREFORE, ORDERED:

1. The Commission hereby certifies that Dixie-Net's Revised Plan for Utilization of Federal Universal Service Funding (attached as Exhibit "A") is consistent with 47 U.S.C. 254(e).
2. Dixie-Net shall file quarterly reports with the Commission providing the status of universal service fund expenditures and projects beginning Second Quarter of 2003.
3. This Order is effective as of the date hereof.

Chairman Michael Callahan voted aye, Vice Chairman Bo Robinson voted aye; and Commissioner Nielsen Cochran voted aye.

'Federal - State Joint Board on Universal Service Ninth Report and Order and Eighteenth Order on Reconsideration, CC Docket No. 96-45, FCC 99-306, Released November 2, 1999 ("Universal Service Order"). See generally, paragraphs 93-110.

SO ORDERED, this the 20th day of December, 2002.

MISSISSIPPI PUBLIC SERVICE COMMISSION

BY: Michael Callahan
MICHAEL CALLAHAN, CHAIRMAN

BY: Bo Robinson
BO ROBINSON, VICE CHAIRMAN

BY: Nielsen Cochran
NIELSEN COCHRAN, COMMISSIONER



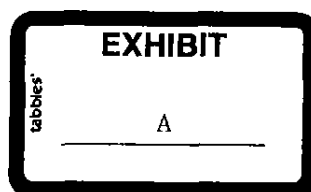
ATTEST: A TRUE COPY

Brian U. Ray
BRIAN U. RAY,
EXECUTIVE SECRETARY

**MISSISSIPPI YEAR 2003 UNIVERSAL SERVICE FUND
UTILIZATION
PART 1
RATE REDUCTIONS/ELIMINATIONS**

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- | | | | |
|----|---|--------|-------------|
| I. | Offset fixed cost for
Communications utilized for
carrying call traffic in high
cost zones | Reduce | \$1 Million |
|----|---|--------|-------------|



**MISSISSIPPI YEAR 2003 UNIVERSAL SERVICE FUND
UTILIZATION
PART 2
NETWORK INFRASTRUCTURE INVESTMENTS/ IMPROVEMENTS**

I. Switch Replacement and Central Office Upgrades: Year 2003 - \$660,000

Add Transport and Voice Gateway Equipment, upgrade power plant

Dixie-Net will upgrade this switch as CALEA software becomes available. Additionally, to facilitate the offering of class features to end users in other offices, it is necessary to add transport equipment and voice gateway functionality, and to upgrade the power plant for these upgrades.

Simultaneously, DixieNet plans the installation of fiber and DS3 transport, an ATM switch, and a voice gateway system for the transport of voice services from outlying end offices to DixieNet's switching facility, and for the addition of class features to these customers. DixieNet has chosen MetroOptix as its physical transport termination equipment, and is evaluating models of ATM switching and voice gateway products. Emphasis will be placed on reliability and supplier longevity at the time of purchase to maximize the support and reliability of these products.

To power these upgrades, DixieNet will also upgrade its current power plant to dual 800 Amp - 48VDC power plants at its Ripley facility. This allows for powering of current equipment, and the ability to expand our facility without the need for additional power upgrades.

II. Upgrade the Service to Customers in North Mississippi: Year 2003 - \$735,000

Install Switching Capabilities serving Several North Mississippi End Offices.

In an effort to upgrade current service in rural areas of North Mississippi, DixieNet plans to install next-generation switching equipment in seven central offices. Instead of constructing new facilities, DixieNet Will take advantage of the existing infrastructure by collocating equipment in or near existing ILEC facilities. This equipment will give the company further access to local loops in these areas, as well as provide transport for out-of-area calls to the Company's Ripley Switching Facility where the calls will either be delivered to the called party, or handed to an Interexchange Carrier for delivery out of DixieNet's market. This equipment will work in conjunction with the switching changes described above, and will not only allow the Company to provide quality voice service to rural customers, but will give these customers access to high-speed data services as well.

The end offices affected will be:

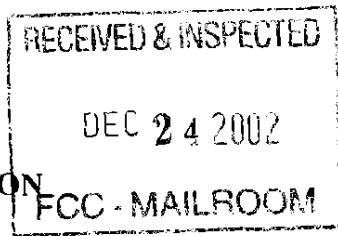
- Ashland in Benton County
- Blue Mountain in Tippah County
- Corinth in Alcorn County
- Hickory Flat in Benton County
- New Albany in Union County
- Pontotoc in Pontotoc County
- Walnut in Tippah County

These changes will give customers in rural North Mississippi access to services heretofore available only to customers in larger metro offices and will enhance our ability to improve current service levels.

III. Emergency Restoration Equipment: Year 2003 - \$0.25M

Residents of Mississippi can, at any one time, expect anything from ice storms and tornados to earthquakes, particularly in North Mississippi, and the history of the last thirty years bears out the likelihood of one or more of these to cause severe interruptions in service. To prepare for such contingencies, DixieNet will purchase necessary trucks and trailers fully equipped with an emergency generator and enough remote switching equipment for temporary restoration of the Company's switching capabilities in any particular area. Additionally, DixieNet will purchase at least three additional portable generators to maintain facilities other than in a serving wire center. These purchases will allow DixieNet to quickly restore service to our customers in *the* event of a disruption in service due to a natural disaster.

While every effort will be made to spend the USF funds within the categories as identified in our preliminary planning effort, some needed modifications to our plan may be necessary as detailed planning and engineering proceeds. All significant deviations, if any, will be identified and reported as our quarterly tracking reports are made.



BEFORE THE MISSISSIPPI PUBLIC SERVICE COMMISSION

01-UA-198

DIXIENET COMMUNICATIONS, LLC

IN RE: PETITION OF DIXIENET
COMMUNICATIONS, LLC FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER
UNDER THE TELECOMMUNICATIONS
ACT OF 1996

ORDER

THIS DAY, there came on for consideration by the Mississippi Public Service Commission ("Commission"), the Petition of DixieNet Communications, LLC ("DixieNet") for designation as a carrier eligible for federal universal service support pursuant to Section 214(e) of the Telecommunications Act of 1996 ("TA96"). The Commission, being fully apprised in the premises and having considered the documents, responses of DixieNet to data requests submitted by the Mississippi Public Utilities Staff ("MPUS"), and the record before it, as authorized by law and upon the recommendation of the MPUS, finds as follows, to-wit:

1. On December 20, 2000, DixieNet filed with ~~the~~ Commission its Petition pursuant to Section 214(e) of TA96 and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC") requesting designation as ~~an~~ Eligible Telecommunications Carrier ("ETC") for its current certificated area which includes the entire State of Mississippi.
2. The Commission has jurisdiction to enter this Order, and entry hereof is in the public interest.
3. Due and proper notice of the Petition was given to all interested persons as required by law and the Commission's Public Utilities Rules of Practice and Procedure.
4. BellSouth Telecommunications, Inc. ("BellSouth") intervened and became a party of record in this matter.

5. DixieNet provides local exchange and exchange access services in predominately rural areas of Mississippi.

6. Pursuant to Section 214(e) of TA96 and 47 C.F.R. §§ 54.101 – 54.207, to qualify under federal law as a telecommunications carrier eligible for universal service funding, carriers must satisfy certain requirements or qualify for a waiver of those requirements. **An** ETC must offer the following services:

- a. Voice grade access to the public switched network;
- b. Access to free of charge “local usage” defined as an amount of minutes of use of exchange service;
- c. Dual tone multi-frequency signaling or its functional equivalent;
- d. Single-party service or its functional equivalent;
- e. Access to emergency services;
- f. Access *to* operator services;
- g. Access to interexchange services;
- h. Access to directory assistance; and
1. Toll limitations services for qualifying low-income customers.

7. Qualified ETCs must offer these services either using their own facilities or a combination of their own facilities and the resale of services of another facilities-based carrier. Further, ETCs must advertise the availability of, and the prevailing prices for, the universal services throughout the area in which they have been designated as an ETC. DixieNet shall comply with each of these provisions regarding service provision and offering with the exception of toll limitation services which it resells.

8. DixieNet shall implement a program to advertise the availability of the above-referenced services and related charges using media of general distribution in its service area as required by Section 254(e)(1)(B) of TA96 and Section 54.201(d)(2) of the FCC's Rules.

9. The Commission finds that DixieNet is capable of providing the services required for ETC designation, with the exception of toll limitation which is not technically feasible at this time and which warrants the granting of a waiver pursuant to Section 54.101(c) of the FCC's Rules. The Commission, however, reserves the right to reconsider this waiver if in the future it can be demonstrated that the capability is technically and economically feasible.

10. The Commission finds that DixieNet has committed to serve all subscribers upon request in its designated service area. DixieNet has committed to provide service either through its own facilities or a combination of its own facilities and resale.

11. DixieNet has not requested ETC designation for the exchanges of small rural carriers (independent telephone companies).

12. The Commission finds that an ETC designation to DixieNet can at a future time be modified, or changed by subsequent Order of this Commission.

13. The Commission finds that ETC designation cannot be granted solely based on resale. Therefore, the Commission finds that DixieNet shall provide service either through its own facilities or a combination of its own facilities and resale to all subscribers upon request in its designated service area within 180 days of this Order. If this condition of time is not complied with, DixieNet's designation as an ETC shall be forfeited ipso facto. Also, if the information supplied by DixieNet in this docket was inaccurate, DixieNet's ETC designation may be revoked.

14. The Commission finds that DixieNet shall file a certification no later than April 30, 2002, showing that it has met the 180 day time period for providing service either through its own

facilities or a combination of its own facilities and resale. DixieNet's certification shall also show that it continues to satisfy all of the requirements set forth in federal law for designation as an ETC. DixieNet shall furnish a copy of this certification to the Executive Director of the MPUS and to Counsel for BellSouth Telecommunications, Inc. **At** that time, the Commission will assess the certification and determine the continuing designation of DixieNet as an Eligible Telecommunications Carrier (ETC).

15. DixieNet shall also offer Lifeline and Linkup services. DixieNet shall file a tariff change to offer these services within 30 business days from the date of this Order.

The Commission, having jurisdiction of the parties and the subject matter, and having considered DixieNet's Petition and the evidence in support thereof, and upon recommendation of the Public Utilities Staff, finds that DixieNet is entitled to be granted a designation as an eligible telecommunications carrier throughout its current service area in Mississippi based on timely complying with all conditions expressed in this Order.

IT IS, THEREFORE, ORDERED:

1. DixieNet is conditionally designated ~~an~~ Eligible Telecommunications Carrier throughout its current service area in Mississippi. DixieNet shall timely comply with all conditions expressed in this Order and shall provide service either through its own facilities *or* a combination of its own facilities and resale to all subscribers upon request in its designated service area within 180 days of this Order. **A** failure by DixieNet to comply with this condition will result in the designation of DixieNet as an ETC being forfeited ipso facto. Also, if information supplied by DixieNet in this Docket was inaccurate, the designation of DixieNet as an ETC may be revoked.

2. DixieNet's request for an exemption from the requirement of providing toll limitation is well taken and is hereby granted.

3. DixieNet shall file, as described herein, a certification no later than April 30, 2002 showing that it has met the conditions placed upon it in this Order and that it continues to satisfy all requirements set out in federal law for designation as an ETC.

4. This Commission retains continuing jurisdiction to review, modify, or revoke its designation of DixieNet as an ETC.

5. DixieNet shall file a tariff within 30 business days from the date of this Order showing that it offers Lifeline and Linkup services

6. The entire file of the Commission, as well as all responses to the three (3) sets of data requests of the MPUS, are specifically made a part of the record in this matter.

7. This Order is effective as of the date hereof.

SO ORDERED, this the 19th day of October, 2001.

Chairman Nielsen Cochran voted

Vice Chairman Michael Callahan voted Aye;

Commissioner Bo Robinson voted Aye

MISSISSIPPI PUBLIC SERVICE COMMISSION



Michael Cochran
NIELSEN COCHRAN, Chairman

Michael Callahan
MICHAEL CALLAHAN, Vice Chairman

Bo Robinson
BO ROBINSON, Commissioner

ATTEST: A TRUE COPY

Brian U. Ray
BRIAN U. RAY
Executive Secretary